



NEWSLINE

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Chairman's Report

by Charles Woodard

The Tennessee Auctioneer Commission is continuing its work to make changes that will benefit the licensees. The Commission is now giving the licensing exams in Nashville. Last fall a group of veteran auctioneers gathered in Nashville to develop a bank of questions to be used on the exams. The Commission has now omitted the oral portion of the exam. Commission members and staff are pursuing exam administration to be conducted in various parts of the state in the near future. This change in the method of testing would make it more convenient for applicants and the Commission. We will continue to work on this project.

The next seminar program will be held at Montgomery Bell State Park, Burns, Tennessee, on Monday, April 24th beginning at 8:00 a.m. Our fall seminar program will be held at the Edgewater Hotel in Gatlinburg on October 27th. Please mark these dates on your calendar and make plans to attend.

The 1999 copy of the Tennessee Auctioneer Licensing Law and Rules (green book) has been sent to licensees. There were a number of legislative changes made in the law in 1999, and subsequently, there were new rules written to implement the changes. I encourage you to read the rules on Pages 20 through 34. The new rules cover continuing education, loaning apprentices, fees, and apprentice supervision. You can avoid making mistakes by periodically reviewing this material.

Licensees renewing their licenses will need only 6 hours of continuing education to renew. If you are due to renew in 2000, I would like to suggest that you come to one of the TAC's free seminar programs. Should you have any questions with regard to your auction practice, you will be able to get answers during the first session of the morning.

The Commission is in the process of writing new rules to provide more specific guidance on a number of topics. The new rules will deal with gallery license, apprentices, advertising and other similar subjects. The proposed rules will soon be made public and a rule making hearing will take place sometime this summer.

I look forward to seeing you at Montgomery Bell State Park on Monday, April 24th, 2000. **Make certain you have your auctioneer or apprentice license number when registering in order to receive continuing education credit.** Make your plans now to be present!

NEW TAC EMPLOYEE



The Tennessee Auctioneer Commission wishes to welcome Melissa Deacon as the newest employee of the Commission. Ms. Deacon has been employed by the Commission for about a month. Her computer and organization

skills are already a great asset to the TAC office.

Melissa graduated from Falcon High School in Falcon, Colorado and attended the University of Northern Colorado and the University of Alaska majoring in Political Science. She resides in Montgomery County with her husband Jack and their four-month-old son, Hunter and four-year-old daughter, Taylor.

RECIPROCITY

We now have reciprocal agreements with a total of 16 states, with Wisconsin being added. The following is a list of all states which now reciprocate with Tennessee:

Alabama	Kentucky	South Carolina
Arkansas	Louisiana	Texas
Florida	Mississippi	Virginia
Georgia	North Carolina	West Virginia
Indiana	Ohio	Wisconsin
	Pennsylvania	

ARKANSAS TO REQUIRE CONTINUING EDUCATION

The state of Arkansas will be implementing continuing education for licensees. They are in the process of writing rules for this education requirement, and further information will not be available until after June 1, 2000. Any new information will be presented the next quarterly newsletter.

**Mark Your Calendar
for the following TAC seminars!**

**April 24, 2000 - Montgomery Bell State Park
"How to Build Your Own Public
Relations Program"**

-See details on last page -

**October 27, 2000 - The Edgewater, Gatlinburg, TN
-To Be Announced-**

ESCROW OR TRUST ACCOUNTS

The Tennessee Auctioneer Licensing Law requires auctioneers operating an auction business to have an Escrow or Trust Account. An Escrow or Trust Account is a bank account that is set up separately from a regular business account. The proceeds of an auction collected on behalf of clients and customers are kept in that account. It is illegal to mix personal or business monies with the money collected on behalf of clients.

TCA 62-19-112(b)(4) states one cause for suspending, revoking or refusing to renew any license is "failing to account or remit within a reasonable amount of time, any money belonging to others that comes into licensee's possession, commingling funds of others with the licensee's own, or failing to keep such funds of others in the Escrow or Trust Account." The TAC expects each auction firm to have an active and valid Escrow or Trust Account available to deposit the funds collected on behalf of a client or customer.

Banks have different policies on the operation of Escrow or Trust Accounts. Some banks will open the accounts and waive any service charges. Other banks will require a minimum balance to waive a service charge. There are banks that will require the account to be subjected to monthly fees and charges. It is an acceptable practice to put personal or business funds in an Escrow or Trust Account to keep the account at a minimum balance level to avoid service charges. That practice is not considered to be commingling funds.

The auctioneer should deposit all funds collected at an auction on behalf of clients in the Escrow or Trust Account. Checks to pay the net proceeds of the auction due the client or customer should be written on this account. The auctioneer may write checks for expenses of the auction out of the account including a check to the auction firm for all commissions and fees earned as a result of the services provided. All of the income and expenses paid out of the escrow account should be itemized on a closing statement that should be provided at the time payment is made. A copy of the closing statement should be kept in the auctioneer's files for future review by the client or TAC.

Remember, the reason for the Escrow or Trust Account is to keep auctioneer business and personal funds separate from the funds collected on behalf of the client or customer.



Here are some facts about continuing education that you should know. Keep this in your files or post on your bulletin board for future reference.

- ☞ **All** licensees who received their license after January 1, 1985 are required to obtain 6 hours of continuing education prior to renewal.
- ☞ Auctioneers who received their license prior to January 1, 1985, are exempt.
- ☞ Licensees that have reached the age of sixty (60) years of age and have been licensed as an auctioneer for at least ten (10) years or longer are exempt from continuing education.
- ☞ No apprentice shall be exempt from continuing education requirements.
- ☞ All education submitted for credit must be pre-approved by the Commission.
- ☞ TAC sponsored seminars are pre-approved for continuing education credit.
- ☞ The National Auctioneer Association and the Certified Auctioneer Institute are nationally recognized sponsors of continuing education and their courses and seminars are pre-approved.
- ☞ A licensee who attends education programs not approved by the Commission will not be awarded credit.
- ☞ The licensee should have his/her **auctioneer or apprentice license number** available when registering for a course to insure proper credit. Firm license number will not get individual licensee's proper credit.
- ☞ The sponsor of a continuing education program is responsible for keeping records and reporting a licensee's attendance to a course or seminar.
- ☞ The TAC will not contact licensees who have not satisfied their continuing education requirements. It is the responsibility of the licensee to properly complete their continuing education prior to renewal.

Continuing Education (*Continued*)

- ☞ Licensees may check the status of their continuing education hours on the internet at www.state.tn.us/commerce/reports/auction/index.htm.
- ☞ The TAC suggests that you ask for a certificate of attendance for every seminar to keep in your personal files for future reference.

Before you commit to a continuing education course for license renewal, you should ask the sponsor if the course has been approved by the Tennessee Auctioneer Commission. If the course has been approved, the sponsor will be able to provide you with a "provider number" and the approved "course ID number." If the sponsor cannot provide you with this information, the course has not been approved for credit in Tennessee.

THE COURSE PROVIDERS ARE RESPONSIBLE FOR SUBMITTING PROOF OF CONTINUING EDUCATION FOR THEIR ATTENDEES.

EXAM DATE

The next exam administered by the TAC will be given Monday, May 1, 2000. The exam begins at 9:00 a.m. The site of the May exam is the Greater Nashville Association of Realtors, 306 Gay Street, Suite 101, Nashville, Tennessee.

Directions from I-65 - exit at James Robertson Parkway. Go West to 3rd Avenue. Turn right to Gay Street (one block). Realtor's building is on the corner.

IT'S THE SAME OLD SONG...



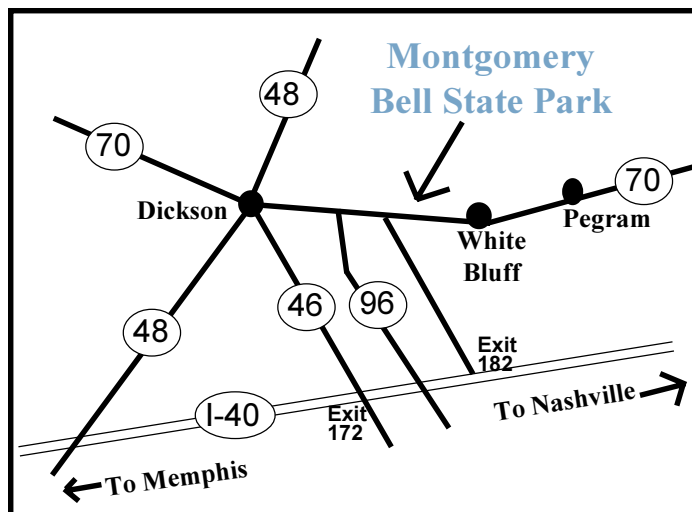
While we dislike hammering something into the ground, it is vitally important that licensees report any change of address to the TAC. You must notify the Commission by sending a letter indicating your new address with payment of \$35.00 per license. This information must be addressed to the TAC at the Nashville address. See Rule 0160-1-14,(8)(9).

Montgomery Bell State Park - Site of Next TAC Seminar

April 24, 2000

SUBJECT: "Law & Public Relations Made Easy"
INSTRUCTOR: Brian Weaver, Chicago, Illinois
DATE: Monday, April 24, 2000
TIME: 8:00 a.m. to 3:00 p.m.
 (6 hours auctioneer continuing education credit)
LOCATION: Montgomery Bell State Park
 U.S. Highway 70, Burns, TN
 Phone 800-250-8613
 or 615-797-3101
ROOM RATE: \$68/Sun-Thurs & \$72/Fri-Sat,
 plus tax

Make sure you have your auctioneer or apprentice (not firm) license number with you when registering!



FROM NASHVILLE AND POINTS EAST... When traveling I-40 from the east, take exit #182 onto McCrory Lane. Turn right toward Pegram. Travel about 2 1/2 miles, cross the railroad track paralleling U.S. Highway 70. At the stop sign, turn left onto U.S. 70. The park will be about 15 miles on your left.

FROM WEST TENNESSEE and MEMPHIS... When traveling I-40 from the west, take exit #172, Dickson exit. After exiting, turn left at the stop sign onto Highway 46. Proceed about 5 miles into Dickson, turning right onto Highway 70 at the 6th traffic light (just after passing under a train trestle). Proceed approximately 7 miles to the entrance of the park on Highway 70 East.

"The Tennessee Department of Commerce and Insurance is committed to principals of equal opportunity, equal access, and affirmative action." Contact the EEO Coordinator or ADA Coordinator (615) 741-2177 (TDD).



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TAC "NEWSLINE"

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